

Grantee: Arizona

Grant: B-11-DN-04-0001

October 1, 2014 thru December 31, 2014 Performance Report



Grant Number:

B-11-DN-04-0001

Obligation Date:**Award Date:****Grantee Name:**

Arizona

Contract End Date:**Review by HUD:**

Submitted - Await for Review

Grant Award Amount:

\$5,000,000.00

Grant Status:

Active

QPR Contact:

Kathy Blodgett

LOCCS Authorized Amount:

\$5,000,000.00

Estimated PI/RL Funds:

\$0.00

Total Budget:

\$5,000,000.00

Disasters:**Declaration Number**

NSP

Narratives**Summary of Distribution and Uses of NSP Funds:**

ADOH will distribute its NSP3 funds in accordance with the requirements of Section 2301(c)(2) of HERA, as amended by the Recovery Act and the Dodd-Frank Act, so that NSP3 funds are distributed to the areas of greatest need, including those with the greatest percentage of home foreclosures, with the highest percentage of homes financed by a subprime mortgage related loan, and identified by the State as likely to face a significant rise in the rate of home foreclosures.

After analyzing the market data collected from the various data sources, ADOH identified the areas that have the best potential to be NSP target areas. ADOH analyzed the supply of single and/or multi-family eligible properties vs. demand to adequately understand the potential challenges of each identified area. For example, target areas that could substantially promote the State's goals of increasing property values, decreasing the number of dilapidated and/or vacant units, enhancing affordability of housing, increasing availability of rental housing and building capacity of local developers, were placed at the top of the list.

How Fund Use Addresses Market Conditions:

ADOH relied on the following data sources to identify a neighborhood or neighborhoods within the State as being areas of greatest need, assess market conditions and analyze market data:

1. HUD NSP3 Mapping Tool – used to determine the exact location of the States Target Neighborhoods. HUD provided the State of Arizona with a minimum threshold of 17 (www.hud.gov/nsp); therefore the State focused on identifying areas with an individual or average score of not less than 17.

2. www.realtytrac.com; www.trulia.com; and www.huduser.org/Datasets/nsp.html - used to review market characteristics for the State as a whole, as well as for the proposed target areas identified by the NSP3 Mapping Tool.

3. Department of Housing and Urban Development [Docket No. FR-5447-N-01] Notice of Formula Allocations and Program Requirements for Neighborhood Stabilization Program Formula Grants Attachment B HUDs Methodology for Allocating the Funds for NSP3 used to compare our findings to the needs of communities which received their own NSP allocation.

Ensuring Continued Affordability:

For NSP3 assisted rental units, the required period will be consistent with the requirements of the HOME program as described in Chapter 3 of the State Housing Fund Program Summary and Application Guide Page 32:



<http://www.azhousing.gov/ShowPage.aspx?ID=531&CID=16>

ACTIVITY	STATE INVESTMENT PER UNIT	MINIMUM PERIOD OF AFFORDABILITY
Acquisition and/or Rehabilitation	1. Less than \$15,000	5 years
	2. Between \$15,000 - \$40,000	10 years
	3. \$40,001 or Greater	15 years
New Construction or Acquisition	Regardless of Amount	20 years

of newly constructed units

ADOH will ensure continued affordability of multi-family units through recording of conditional property use restrictions with a term equal to at minimum, the affordability requirements of the HOME program the term of which is based on the amount funds invested per unit. HOME Program Standards can be found at 24 CFR 92.252(a), (c), (e), and (f), and 92.254.

Definition of Blighted Structure:

A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety and public welfare.

The State of Arizona traditionally defers to the code enforcement standards of local government. For the purpose of this NSP3 Substantial Amendment, the State will modify the broadest definition used in the Federal Register/Vol.73, No. 194/Monday, October 6, 2008, Page 58331: <http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/nspnotice.pdf>

Definition of Affordable Rents:

The definition of affordable rents will be consistent with the definition adopted for the State Housing Fund Program Summary and Application Guide Appendix D Rent Chart Page 67: <http://www.azhousing.gov/ShowPage.aspx?ID=531&CID=16>

Housing Rehabilitation/New Construction Standards:

The State of Arizona adheres to HUD Quality Standards (24 CFR, Subtitle B, Chapter IX, Part 982, Subpart I), and the Exhibit D Arizona Department of Housing (ADOH) Year 2011 Mandatory Design Guidelines for Multifamily Rental Housing. The appropriate standards are applied based on the type of construction activities to take place, be it single or multifamily construction. In addition, the State requires adherence to the State Rehabilitation Standards for Owner Occupied Housing Rehabilitation which were originally adopted in 1998. These standards have been accepted by HUD through the approval of the States FY2010-2014 Consolidated Plan.

The housing rehabilitation standards that will apply to NSP3 assisted activities will be consistent with those articulated in the adopted State Rehabilitation Standards : <http://www.azhousing.gov/ShowPage.aspx?ID=531&CID=16>

Additionally, the State will incorporate the following additions to its Housing Rehabilitation Standards:

1. All gut rehabilitation or new construction (i.e. general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes.
2. All gut rehabilitation or new construction of mid-or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 percent (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy).
3. Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances (such as, windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) with Energy Star-46 labeled products.
4. Water efficient toilets, showers and faucets, such as those with the WaterSense label, must be installed.
5. Where relevant, the housing should be improved to mitigate the impact of disasters (e.g., earthquake, hurricane, flooding, fires).

Additionally, the State will encourage the adoption of energy efficient and environmentally friendly green elements to project design.

Vicinity Hiring:

In order to carry out this Activity, ADOH, to the maximum extent feasible, will provide for the hiring of employees who reside in the vicinity of the NSP3 projects or contract with small businesses that are owned and operated by persons residing in the vicinity of any such project. ADOH will look to information on existing local ordinances to address these requirements.



Procedures for Preferences for Affordable Rental Dev.:

Total low-income set-aside percentage (must be no less than 25 percent): 25.00%

Total funds set aside for low-income individuals = \$1,250,000.00

ADOH will allocate at least 25 percent of its NSP3 funding allocation to housing for individuals and families with incomes at or below 50 percent of the area median income. To specifically address local housing market conditions, ADOH may rehabilitate or redevelop abandoned or foreclosed residential property, and vacant or demolished residential or nonresidential property, to meet its low-income targeting goals.

Grantee Contact Information:

Kathy Blodgett, CD&R Programs Administrator

kathy.blodgett@azhousing.gov

602-771-1021

1110 W. Washington St., Suite 310, Phoenix, AZ 85007

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$5,000,000.00
Total Budget	\$0.00	\$5,000,000.00
Total Obligated	\$0.00	\$5,000,000.00
Total Funds Drawdown	\$0.00	\$5,000,000.00
Program Funds Drawdown	\$0.00	\$5,000,000.00
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$5,000,000.00
Match Contributed	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Overall Benefit Percentage (Projected)		0.00%
Overall Benefit Percentage (Actual)		0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$750,000.00	\$0.00
Limit on Admin/Planning	\$500,000.00	\$125,900.00
Limit on State Admin	\$0.00	\$125,900.00

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Administration	\$500,000.00	\$125,900.00

Progress Toward National Objective Targets

National Objective	Target	Actual
NSP Only - LH - 25% Set-Aside	\$1,250,000.00	\$4,874,100.00



Overall Progress Narrative:

All construction is 100% completed and activities are 100% expended. Activity B2 Multifamily project known as 29 Palms is in lease up phase. All beneficiary data will be reported once the property is fully leased. ADOH has NO Land banking and NO stalled projects.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
9999, Restricted Balance	\$0.00	\$0.00	\$0.00
B-11-DN-04-0001-A, Multi Family	\$0.00	\$4,874,100.00	\$4,874,100.00
B-11-DN-04-0001-C, Administration	\$0.00	\$125,900.00	\$125,900.00



Activities

Project # / Title: B-11-DN-04-0001-A / Multi Family

Grantee Activity Number: B-11-DN-04-0001-A1

Activity Title: 209 W. Jackson - acquisition

Activity Category:

Acquisition - general

Project Number:

B-11-DN-04-0001-A

Projected Start Date:

08/01/2011

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Completed

Project Title:

Multi Family

Projected End Date:

03/09/2014

Completed Activity Actual End Date:

09/12/2012

Responsible Organization:

Arizona Housing, Inc.

Overall

Total Projected Budget from All Sources

Oct 1 thru Dec 31, 2014

To Date

N/A

\$1,248,816.11

Total Budget

\$0.00

\$1,248,816.11

Total Obligated

\$0.00

\$1,248,816.11

Total Funds Drawdown

\$0.00

\$1,248,816.11

Program Funds Drawdown

\$0.00

\$1,248,816.11

Program Income Drawdown

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Total Funds Expended

\$0.00

\$1,248,816.11

Arizona Department of Housing

\$0.00

\$1,248,816.11

Arizona Housing, Inc.

\$0.00

\$0.00

Campaige Place

\$0.00

\$0.00

Match Contributed

\$0.00

\$0.00

Activity Description:

Acquisition of foreclosed multi-family affordable housing project called 209 W. Jackson (formerly known as Campaige Place) located in downtown Phoenix Arizona at 209 W. Jackson Street. Campaige place consists of 1 parcel with one 4-story building containing a total of 304 apartment units of which 100 units will be NSP3 set aside for persons or households at or below 50% AMI. 209 W. Jackson will undergo rehabilitation for the affordable rental units under a seperate NSP3 Activity. The 209 W. Jackson project will help to stabilize the market, revitalize its neighborhood, preserve rental affordability, reduce vacancies and build inclusive communities.

In order to carry out this Activity, ADOH, to the maximum extent feasible, will provide for the hiring of employees who reside in the vicinity of the NSP3 projects or contract with small businesses that are owned and operated by persons residing in the vicinity of any such project. ADOH will look to information on existing local ordinances to address these requirements. All beneficiary data will be collected and reported on activity B-11-DN-04-0001-A2 which is the activity covering the rehabilitation of this property.



Location Description:

209 W. Jackson formerly known as Campaigne Place is a foreclosed multi-family property located at 209 W. Jackson, Phoenix Arizona 85003-4562 and is in an area with a Foreclosure and Abandonment Risk Score (FARS) of 17. Campaigne Place consists of one 4-Story building on one parcel. Parcel No. APN 112-22-104

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Activity Progress Narrative:

All units leased and all beneficiary data has been reported on previous QPRs. Activity completion date of 9/19/2012 added on previous QPR

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	1/1
# of buildings (non-residential)	0	0/0
# of Parcels acquired by	0	0/0
# of Parcels acquired by admin	0	0/0
# of Parcels acquired voluntarily	0	1/1
Total acquisition compensation to	0	2425500/24255

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/0
# of Multifamily Units	0	0/0

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/0	0/0	0/0	0
# Renter Households	0	0	0	0/0	0/0	0/0	0

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Grantee Activity Number:	B-11-DN-04-0001-A2
Activity Title:	209 W. Jackson - Rehab

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

B-11-DN-04-0001-A

Projected Start Date:

08/01/2011

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Completed

Project Title:

Multi Family

Projected End Date:

03/09/2014

Completed Activity Actual End Date:

02/05/2014

Responsible Organization:

Arizona Housing, Inc.

Overall	Oct 1 thru Dec 31, 2014	To Date
Total Projected Budget from All Sources	N/A	\$1,215,752.45
Total Budget	\$0.00	\$1,215,752.45
Total Obligated	\$0.00	\$1,215,752.45
Total Funds Drawdown	\$0.00	\$1,215,752.45
Program Funds Drawdown	\$0.00	\$1,215,752.45
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$1,215,752.45
Arizona Housing, Inc.	\$0.00	\$1,215,752.45
Match Contributed	\$0.00	\$0.00

Activity Description:

Rehabilitation of foreclosed multi-family affordable housing project called 209 W. Jackson formerly known as Campaigne Place located in downtown Phoenix Arizona at 209 W. Jackson Street. 209 W. Jackson consists of 1 parcel with one 4-story building containing a total of 299 apartment units of which 297 units will be reserved for NSP3 set aside for persons or households at or below 50% AMI. 2 units will be offices for leasing/management staff and service providers for homeless services. 209 W. Jackson will undergo rehabilitation of the affordable rental units to include such items are HVAC replacement and upgrades, appliance replacement and upgrade to energy star rated and assorted carpentry and other rehab as needed. The 209 W. Jackson project will help to stabilize the market, revitalize its neighborhood, preserve rental affordability, reduce vacancies and build inclusive communities.

Location Description:

209 W. Jackson formerly known as Campaigne Place is a foreclosed multi-family property located at 209 W. Jackson, Phoenix Arizona 85003-4562 and is in an area with a Foreclosure and Abandonment Risk Score (FARS) of 17. 209 W. Jackson consists of one 4-Story building on one parcel. Parcel No. APN 112-22-104

Activity Progress Narrative:

Activity 100% completed. Completion date added on previous QPR. All Beneficiary data reported under previous QPRs.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	1/1
#Additional Attic/Roof Insulation	0	297/297
#Efficient AC added/replaced	0	297/297
#Replaced thermostats	0	297/297
#Light Fixtures (indoors) replaced	0	297/297
#Light fixtures (outdoors) replaced	0	297/297
#Refrigerators replaced	0	297/297
# ELI Households (0-30% AMI)	0	195/98

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	297/297
# of Multifamily Units	0	297/297

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	297/297	0/0	297/297	100.00
# Renter Households	0	0	0	297/297	0/0	297/297	100.00

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Grantee Activity Number:	B-11-DN-04-0001-B
Activity Title:	29 Palms Apts - Acquisition

Activity Category:

Acquisition - general

Project Number:

B-11-DN-04-0001-A

Projected Start Date:

03/09/2011

Benefit Type:

N/A

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Completed

Project Title:

Multi Family

Projected End Date:

03/09/2014

Completed Activity Actual End Date:

02/26/2013

Responsible Organization:

Foundation for Senior Living - Real Estate Services, Inc.

Overall**Total Projected Budget from All Sources****Oct 1 thru Dec 31, 2014**

N/A

To Date

\$868,742.50

Total Budget

\$0.00

\$868,742.50

Total Obligated

\$0.00

\$868,742.50

Total Funds Drawdown

\$0.00

\$868,742.50

Program Funds Drawdown

\$0.00

\$868,742.50

Program Income Drawdown

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Total Funds Expended

\$0.00

\$868,742.50

Foundation for Senior Living - Real Estate Services, Inc.

\$0.00

\$868,742.50

Match Contributed

\$0.00

\$0.00

Activity Description:

Acquisition of foreclosed multi-family property known as 29 Palms Apartments for the purpose of rehabilitation of the 21 unit complex that will be a multi-generational supportive housing project serving persons at or below 50%AMI. All beneficiary data will be reported under rehab activity B-11-DN-0001-B2

Location Description:

Multi-family project known as 29 Palms Apartments is located at 4901 E. Holly Street, Phoenix, AZ 85008-3314. Cross streets are 48th Street and McDowell in Central Phoenix Arizona. Project conveniently located near Loop 202, State route 143 and Interstate 10.

Activity Progress Narrative:

Activity 100% Complete. Activity completion date added on previous QPR. Beneficiary data will be reported under Activity B2 which is the rehabilitation of the 29 Palms Multifamily property.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	1/1



# of Parcels acquired voluntarily	0	1/1
Total acquisition compensation to	0	866250/866250

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Grantee Activity Number:	B-11-DN-04-0001-B2
Activity Title:	29 Palms Apts - Rehabilitation

Activity Category:

Rehabilitation/reconstruction of residential structures

Project Number:

B-11-DN-04-0001-A

Projected Start Date:

02/28/2013

Benefit Type:

Direct Benefit (Households)

National Objective:

NSP Only - LH - 25% Set-Aside

Activity Status:

Completed

Project Title:

Multi Family

Projected End Date:

03/01/2014

Completed Activity Actual End Date:**Responsible Organization:**

Foundation for Senior Living - Real Estate Services, Inc.

Overall	Oct 1 thru Dec 31, 2014	To Date
Total Projected Budget from All Sources	N/A	\$1,540,788.94
Total Budget	\$0.00	\$1,540,788.94
Total Obligated	\$0.00	\$1,540,788.94
Total Funds Drawdown	\$0.00	\$1,540,788.94
Program Funds Drawdown	\$0.00	\$1,540,788.94
Program Income Drawdown	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Total Funds Expended	\$0.00	\$1,540,788.94
Foundation for Senior Living - Real Estate Services, Inc.	\$0.00	\$1,540,788.94
Match Contributed	\$0.00	\$0.00

Activity Description:

Acquisition of foreclosed multi-family property known as 29 Palms Apartments for the purpose of rehabilitation of the 21 unit complex that will be a multi-generational supportive housing project. 20 units will be serving persons at or below 50%AMI and 1 unit will be set aside as a Managers unit.

Location Description:

Multi-family project known as 29 Palms Apartments is located at 4901 E. Holly Street, Phoenix, AZ 85008-3314. Cross streets are 48th Street and McDowell in Central Phoenix Arizona. Project conveniently located near Loop 202, State route 143 and Interstate 10.

Activity Progress Narrative:

Construction is 100% complete and activity is 100% expended. Property is in lease up phase. All beneficiary data will be reported when property is fully leased.

Accomplishments Performance Measures

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Properties	0	0/1



#Energy Star Replacement Windows	0	0/20
#Additional Attic/Roof Insulation	0	0/20
#Efficient AC added/replaced	0	0/20
#Replaced hot water heaters	0	0/20
#Light fixtures (outdoors) replaced	0	0/20
#Refrigerators replaced	0	0/20
#Dishwashers replaced	0	0/20
#Low flow toilets	0	0/20
#Low flow showerheads	0	0/20
#Units with bus/rail access	0	0/20
#Units exceeding Energy Star	0	0/20
#Sites re-used	0	0/1

	This Report Period	Cumulative Actual Total / Expected
	Total	Total
# of Housing Units	0	0/20
# of Multifamily Units	0	0/20

Beneficiaries Performance Measures

	This Report Period			Cumulative Actual Total / Expected			
	Low	Mod	Total	Low	Mod	Total	Low/Mod%
# of Households	0	0	0	0/20	0/0	0/20	0
# Renter Households	0	0	0	0/20	0/0	0/20	0

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	

Project # / Title: B-11-DN-04-0001-C / Administration

Grantee Activity Number: B-11-DN-04-0001-C
Activity Title: Administration

Activity Category: Administration
Activity Status: Completed
Project Number:
Project Title:



B-11-DN-04-0001-C

Administration

Projected Start Date:

03/09/2011

Projected End Date:

03/09/2014

Benefit Type:

N/A

Completed Activity Actual End Date:

National Objective:

N/A

Responsible Organization:

Arizona Department of Housing

Overall

Total Projected Budget from All Sources

Oct 1 thru Dec 31, 2014

N/A

To Date

\$125,900.00

Total Budget

\$0.00

\$125,900.00

Total Obligated

\$0.00

\$125,900.00

Total Funds Drawdown

\$0.00

\$125,900.00

Program Funds Drawdown

\$0.00

\$125,900.00

Program Income Drawdown

\$0.00

\$0.00

Program Income Received

\$0.00

\$0.00

Total Funds Expended

\$0.00

\$125,900.00

Arizona Department of Housing

\$0.00

\$125,900.00

Match Contributed

\$0.00

\$0.00

Activity Description:

PLANNING AND PROGRAM ADMINISTRATION.

Location Description:

ARIZONA DEPARTMENT OF HOUSING
1110 W. WASHINGTON ST., SUITE 310
PHOENIX, AZ 85007

Activity Progress Narrative:

Administrative funds are 100% expended. Administration consisting of NSP 3 reporting will continue through the lease up of Activity B2 29 Palms Multifamily project and close out of the NSP 3 grant.

Accomplishments Performance Measures

No Accomplishments Performance Measures found.

Beneficiaries Performance Measures

No Beneficiaries Performance Measures found.

Activity Locations

No Activity Locations found.

Other Funding Sources Budgeted - Detail

No Other Match Funding Sources Found

Other Funding Sources	Amount
No Other Funding Sources Found	
Total Other Funding Sources	
